

SUMMARY OF 2019
ICC RAILROAD SUPPLIER DIVERSITY REPORTS

Kansas City Southern

SUPPLIERS

YEAR	\$ TOTAL DIVERSE SPEND and (+/-) % CHANGE FROM PREVIOUS YEAR	MBE	WBE	VBE	Small Business*
2019	\$48,943,501 (-7%)	\$36,631,872	\$10,883,021	\$157,027	\$1,271,579
2018	\$52,492,056 (+34%)	\$43,485,447	\$7,588,098	\$204,712	\$1,213,769

	HUBZone	SDB/8A	
2019	Not Tracked	Not Tracked	
2018	Not Tracked	Not Tracked	

* How many of the small businesses are certified? - **Unknown**

YEAR	# OF DIVERSE SUPPLIERS	MBE	WBE	VBE	Small Business*
2019	57	20	28	2	7
2018	61	13	35	5	8

	HUBZone	SDB/8A	
2019	Not Tracked	Not Tracked	
2018	Not Tracked	Not Tracked	

* How many of the small businesses are certified? - **Unknown**

* How many, out of all diverse suppliers, are headquartered in Illinois? - **0**

YEAR	# of NEWLY CONTRACTED DIVERSE SUPPLIERS	% CHANGE OVER PRIOR YEAR	SPEND	% CHANGE OVER PRIOR YEAR	# HEADQUARTERED Outside of ILLINOIS	# HEADQUARTERED IN ILLINOIS
2019						
2018						

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PROFESSIONAL SERVICES

YEAR	\$ TOTAL DIVERSE SPEND and (+/-) % CHANGE FROM PREVIOUS YEAR	MBE	WBE	VBE	Small Business*
2019					
2018					

	HUBZone	SDB/8A	
2019			
2018			

- * How many of the small businesses are certified?
- * How many, out of all diverse vendors/companies, are headquartered in Illinois?

Spend Areas (Industry):

SUPPLIERS & PROFESSIONAL SERVICES

2019 Highlights	<ul style="list-style-type: none"> Continued Large Capex Project with Cloud Moyo – MIN-Asia/Indian American Owned Some of the lack of spend was due to the introduction of a Managed Service Provider, which now holds some of our diversity spend for staffing agencies that were local and diverse. Due to COVID, did not attend community outreach events this year, but converted a few suppliers that were met in earlier years.
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Large Capital Projects	<ul style="list-style-type: none">• MCS Re-write project still active in 2019 – \$6.8M
Supplier Diversity Goals	<ul style="list-style-type: none">• To continue to try to introduce new suppliers to our company by attending supplier connection events and meeting with buyers so that that understand capabilities.
Professional Services Goals	<ul style="list-style-type: none">• Continue to leverage our new MSP (Managed Service Provider) to reduce spend in professional services category.
Unique Initiatives – 2019 & 2020	<ul style="list-style-type: none">•••
2020: Areas of Procurement Plans	<ul style="list-style-type: none">• We are upgrading our SAP ECC Environment to S/4 HANA, so we plan to re-cleanse our supplier data and have better metrics to track some of the questions above in subsequent years.

Terms & Definitions:

Small Business – an independently owned and operated company that is limited in size and in revenue depending on the industry. Certified via, city, county, state, third party.

Minority Owned Business (MBE) – it is at least 51% owned by such individuals or, in the case of a publicly-owned business, at least 51% of the stock is owned by one or more such individuals i.e. the management and daily operations are controlled by those minority group members.

Women Owned Business (WBE) - is at least 51% owned, operated and controlled on a daily basis, and long-term decisions are made by one or more female American citizens. WBEs are typically certified by a third-party, city, state or federal agency.

Veteran Owned Business (VBE) – generally non-industry specific, but requires that the company is at least 51% owned, operated, and controlled by a veteran.

SBD/8A – Small Disadvantaged Business (SDB) that is at least 51% owned by one or more individuals who are socially and economically disadvantaged individuals who are U.S. citizens.

HUBZone – Small Business Administration (SBA) program for small companies that operate and employ people in Historically Under-utilized Business Zones; at least 51% controlled by U.S. citizens